

Joint Core Information

Every employer who contributes a portion of the benefits premiums and who may employ both spouses under the policy has dealt with this issue. Some treat each employee separately and some (like the State) structure the benefit to provide an advantage to recognize the family structure in the rates.

The State developed the joint core concept several years ago as a rating solution. Since we provide a state share contribution toward benefits that is equal for every employee regardless of family status, we wanted to give a break to families where both worked for the State. Below is a table that shows how the rates would work out if the State did not have a joint core structure versus the joint core using **2010** premiums.

	Traditional Rate	Dental	Basic Life	Total Core	State Share	Out of Pocket	Deductible	Annual out of pocket
No joint core								
Employee only	\$642	\$34.10	\$1.90	\$678	\$679	*****	\$600	\$2500
Employee & children	\$704	\$50.40	\$1.90	\$756.30	\$679	\$77.30	\$1800	\$5625
TOTAL	\$1346	\$84.50	\$3.80	\$1434.30	\$1358	\$77.30	\$2400	\$8125
Joint Core								
Joint Core primary	\$660	\$39.80	\$1.90	\$701.70	\$679	\$22.70	\$1800	\$5625
Joint Core Secondary	\$660	\$39.80	\$1.90	\$701.70	\$679	\$22.70		
TOTAL	\$1320	\$79.60	\$3.80	\$1403.40	\$1358	\$45.40	\$1800	\$5625

***** There is \$1.00 left for the member to use from state share after Total Core costs have been calculated.

As you can see, the joint core rate results in lower out of pocket cost for a family than if they were separate (\$31.90) with the out of pocket costs being applied evenly to both spouses.

However, the other part employees frequently forget is under joint core, the family is allowed to meet the family deductible and maximum out of pocket. If you look at the example in the chart without joint core, the employee would have to meet the individual deductible and maximum out of pocket AND the other spouse and kids would have to meet the family deductible and out of pocket maximum. By choosing joint core coverage, in addition to the premium savings, the family will recognize up to \$3,100 of savings by having only one deductible and one out of pocket maximum applied to their benefits.

We are frequently asked why families are not allowed to enroll in the employee & family rate tier and apply both state share contributions toward the premium. The state share is intended to pay for the employee's coverage and the excess is used to subsidize family (i.e. dependent) coverage as well as retiree coverage. If this were allowed, the subsidy on behalf of families with both employees working for the State would be substantially greater than any other subsidy of other groups.